

THIS AMENDMENT:			
_____ Passed _____	Passed as amended by _____		
_____ Failed _____	Not Offered _____		



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COMMISSIONER CARL J. KUNASEK AMENDMENT #1 - REVISED

TIME/DATE PREPARED: August 4, 1998 - 11:00 a.m.

COMPANY: RULEMAKING - ELECTRIC SERVICES

AGENDA ITEM NO. 5

DOCKET NO. RE-00000C-94-0165

OPEN MEETING DATE: August 4 and 5, 1998

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P. 31 in R14-2-1604:

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 DOCUMENT CONTROL

DELETE A and INSERT the following:

- "A. The customers of each Affected Utility shall be eligible to receive competitive electric services according to the following timetable subject to paying a competitive transition charge for their allocable share of recoverable stranded costs:
1. Beginning January 1, 1999, all customers with non-coincident peak load of 1 MW or greater will be eligible to receive competitive electric services.
 2. Beginning January 1, 2000, all customers with non-coincident peak loads of 500 kW or greater at a single site will be eligible to receive competitive electric services.
 3. Beginning January 1, 2001, all customers with non-coincident peak loads of 150 kW or greater at a single site will be eligible to receive competitive electric services.
 4. Beginning January 1, 2002, all customers with non-coincident peak loads of 30 kW or greater at a single site will be eligible to receive competitive electric services.
 5. Beginning January 1, 2003, all customers will be eligible to receive competitive electric services.
- B. Beginning January 1, 1999, and beginning each subsequent January 1 through the year 2002, each Affected Utility shall implement an across-the-board rate reduction of at least 1½% for all non-special contract customers and customers not eligible to receive competitive electric services, unless the Affected Utility demonstrates to the Commission that the rate reductions cannot be provided."

P. 32 in R14-2-1604:

DELETE B. (introduction) and B.1-2, and INSERT:

"C. Each Affected Utility shall implement a residential phase-in program with the following components:

1. A minimum of ½ of 1% of residential customers as of January 1, 1999 will have access to competitive electric services on January 1, 1999. The number of customers eligible for the residential phase-in program shall increase by an additional ½ of 1% every quarter until January 1, 2003.

Renumber to conform.

P. 33 in R14-2-1604.B.4.b.:

DELETE "based on first-come, first-served method;"

P. 34-35 in R14-2-1604:

DELETE C through E.

Renumber to conform.

P. 40 in R14-2-1607:

DELETE B through D, and INSERT:

"B. Except as otherwise provided by this Rule, only an Affected Utility that, through a sealed bid and auction process, divests its generation assets, shall be allowed to recover its unmitigated stranded costs from customers.

1. No later than December 31, 2001, an Affected Utility intending to divest its generation assets pursuant to this rule shall file with the Commission a notice of intent, which shall include a proposed divestiture plan, subject to Commission approval.
2. No later than 18 months after filing its notice of intent, an Affected Utility which has divested its generation assets pursuant to this rule, shall request Commission approval of distribution charges (or credits) or other means of recovering (or refunding) its unmitigated Stranded Costs resulting from the divestiture.

- C. An Affected Utility may recover from customers receiving competitive generation services during the period January 1, 1999, through December 31, 2002, the exiting customers share of the uneconomic costs associated with the fixed portion of the Affected Utility's generation assets which are embedded in the Affected Utility's bundled or standard offer rates and which would be recovered had the customer received service under bundled or standard offer rates. Recovery shall be through a distribution surcharge or other mechanism approved by the Commission, at the same level embedded in the Affected Utility's bundled or standard offer rates.
- D. Regulatory assets will continue to be recovered as one component of the distribution surcharge in accordance with prior Commission decisions, provided that all regulatory assets shall be recovered over a period of not more than 10 years.
- E. To the extent that this Rule is inconsistent with Decision No. 60977, this Rule shall govern."

Renumber to conform.

P. 44 in R14-2-1609:

DELETE A and B, and INSERT:

- "A. Starting on January 1, 1999, any Electric Service Provider selling electricity under the provisions of this Article must derive at least .2% of the total retail energy sold competitively from new solar energy resources, whether that solar energy is purchased or generated by the seller. Solar resources include photovoltaic resources and solar thermal resources that generate electricity. New solar resources are those installed on or after January 1, 1997.
- B. Starting January 1 of each year from 2000 through 2003, the solar resource requirement shall increase by .2%, with the result that starting January 1, 2003, any Electric Service Provider selling electricity or aggregating customers for the purpose of selling electricity under the provisions of this Article must derive at least 1.0% of the total retail energy sold competitively from new solar energy resources. The 1.0% requirement shall be in effect from January 1, 2003 through December 31, 2012.

P. 49, INSERT new R14-2-1609.K:

- "K. An Electric Service Provider shall be entitled to receive a credit of up to 25% of the solar portfolio requirement for solar water heating systems purchased by the Electric Service Provider for use by its customers, or purchased by its customers and paid for by the Electric Service Provider through bill credits or other similar mechanisms."

Reletter to conform.

P. 49 R14-2-1609.K. (will be relettered to "L"):

After "solar generating equipment" INSERT "and solar water heating equipment".

P. 55 in R14-2-1613.D:

DELETE the sentence beginning "Utility Distribution Companies" and INSERT

"When a Utility Distribution Company plans to interrupt service for more than four hours to perform necessary repairs or maintenance, the Utility Distribution Company shall attempt to inform affected customers at least 24 hours in advance of the scheduled date and estimated duration of the service interruption. Such repairs shall be completed in the shortest possible time to minimize the inconvenience to the customers of the Utility Distribution Company."